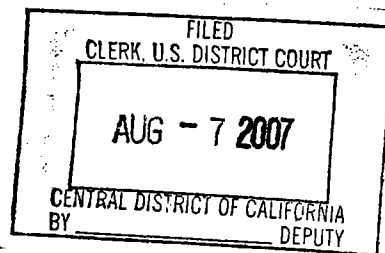


1 Jeffery L. Caufield, Esq. (SBN: 166524)  
 2 jeff@caufieldjames.com  
 3 Caufield & James LLP  
 4 2851 Camino Del Rio South, Suite 250  
 5 San Diego, California 92108  
 6 Telephone: (619) 325-0441  
 Facsimile: (619) 325-0231



7 Attorneys for Plaintiffs, Counter-Defendants, Cross-  
 8 Defendants Angeles Chemical Company, Inc., John  
 9 Locke and Greve Financial Services, Inc.

10 **UNITED STATES DISTRICT COURT**  
 11 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

12 ANGELES CHEMICAL COMPANY, )  
 13 INC., et al. )

14 Plaintiffs, )

15 vs. )

16 MCKESSON CORPORATION, a )  
 17 California Corporation, MCKESSON )  
 18 CHEMICAL COMPANY, )  
 19 FOREMOST-MCKESSON EXPORT )  
 20 CORPORATION, MORELAND- )  
 21 MCKESSON CHEMICAL )  
 22 COMPANY INC., and DOES 1 through )  
 23 500, Inclusive, )

24 Defendants. )

25 AND RELATED CROSS-CLAIMS. )  
 26 )  
 27 )  
 28 )

Case No: 01-10532 TJH (Ex)

JOINT STIPULATION FOR  
 LITIGATION STAY AND  
 MOTION FOR CONTINUANCE  
 OF ALL SCHEDULING ORDER  
 DEADLINES FORTY-FIVE (45)  
 DAYS

Date: TBD

Time: TBD

Judge: Hon. Terry J. Hatter Jr.

Discovery Cut-Off: June 11, 2007

Pre-Trial Conference: December 3,  
 2007

Trial Date: TBD

COPY

1 **I. INTRODUCTION**

2 Pursuant to Federal Rules of Civil Procedure Rule 16 (b) and Local Rule 7-  
 3 19 of the United States District Court, Central District of California, all the parties  
 4 to this litigation, including Plaintiffs/Counter-Defendants Angeles Chemical  
 5 Company, Inc., John Locke, Greve Financial Services (collectively "Angeles"),  
 6 Cross-Defendant, Cross-Complainant Robert Berg, Donna Berg, Pearl Rosenthal,  
 7 and the Estate of Arnold Rosenthal (hereinafter "Berg Parties"), and Defendants  
 8 and Counter Claimants/Counter-defendants McKesson, Harvey Sorkin, Estate of  
 9 Paul Maslin, Seymour Moslin (hereinafter collectively, "McKesson") hereby  
 10 submit this Joint Stipulated Application for *Ex Parte* Motion for litigation stay and  
 11 continuance of *all Scheduling Order deadlines that have not already passed as of*  
 12 *the date of this stipulation, except as specifically set forth herein, for a period of*  
 13 forty-five (45) days.

14 **II. GOOD CAUSE EXISTS FOR LITIGATION STAY AND**  
 15 **CONTINUANCE OF CERTAIN SCHEDULING ORDER DEADLINES**  
 16 **FOR FORTY FIVE (45) DAYS TO ALLOW FOR SETTLEMENT**  
 17 **NEGOTIATIONS.**

18 In June 2003 and March 2004, the parties engaged in two mediations before  
 19 the Honorable Justice Irving (ret.) in San Diego, California. Beginning in the fall  
 20 of 2004 through mid-2005, the parties entered into further settlement negotiations.  
 21 Recently, Angeles and McKesson have agreed to renew settlement negotiations,  
 22 which have resulted in an exchange of proposals and ideas to establish a process  
 23 and procedure which will allow the parties to engage in meaningful settlement  
 24 discussions. The parties have committed to conducting several face-to-face  
 25 settlement meetings over the next 45 days in order to attempt to resolve their  
 26 differences and effectuate a global settlement. In order to reduce the costs and  
 27 expenses incurred by the parties and facilitate the settlement negotiations, the  
 28 parties have agreed to a litigation standstill during this forty-five (45) day time

1 period, which would entail (1) continuing expert disclosures and all scheduling  
2 order deadlines which have not yet passed as set forth below, (2) a hold on the  
3 filing of any additional motions with either the District Judge and/or the Magistrate  
4 Judge whose deadline to file has not already passed as of the date this Order is  
5 signed by the Court, (3) continuing the hearing dates and briefing schedule for  
6 currently filed motions as set forth below, and (4) stipulating to request Magistrate  
7 Judge Eick and/or Judge Hatter to stay any ruling granting in whole or in part the  
8 currently pending discovery motion re the 8th Set of Requests for Production of  
9 Documents, set for hearing on August 17, 2007, for forty-five (45) days to allow for  
10 settlement discussions should any such Order be issued.

### 11 **III. BACKGROUND**

12 The underlying case involves claims surrounding the contamination of soil  
13 and groundwater at and under and surrounding property located in Santa Fe  
14 Springs, California. The underlying soil and groundwater contamination was  
15 allegedly caused by the operation of two neighboring chemical distribution facilities  
16 beginning in the mid-1970s. During the course of the litigation, over 100  
17 depositions have been taken and over 2,000,000 pages of documents produced  
18 between the parties and third parties. As discussed supra, significant prior efforts  
19 have been undertaken to resolve the issues between the parties. The parties now  
20 need time to pursue settlement discussions.

### 21 **IV. LEGAL ANALYSIS**

22 Scheduling orders entered before the final pretrial conference may be  
23 modified upon a showing of "good cause." Hannon v. Chater, 887 F.Supp. 1303  
24 (N.D.Cal. 1995); FRCP 16. The reason for the "good cause" requirement for  
25 modification of a court's scheduling order is that such orders and their enforcement  
26 are regarded as an essential mechanism for cases becoming trial-ready in an  
27 efficient, just, and certain manner. Rouse v. Farmers State Bank of Jewell, Iowa,  
28 866 F.Supp. 1191 (N.D.Iowa 1994).

1 The terms of the stay and continuance, as stipulated among all the parties to  
2 this litigation herein, are as follows:

3 1. The litigation shall be stayed beginning August 7, 2007 through September 20,  
4 2007 (the "stay period") as follows:

5  
6 a.) The deadlines for fact discovery and fact discovery motions have passed and  
7 are not impacted by the within stipulation. All remaining discovery shall be stayed  
8 as set forth herein. Plaintiffs will take no further legal action in their proceedings  
9 against SSD, and Thelen, Reid pending in the United States District Court,  
10 Northern District of California, and Univar pending in the Western District of  
11 Washington, during the stay period. However, this agreement is without prejudice  
12 to the parties' right to seek further relief on these matters or others by ex parte  
13 motion after the termination of this agreement at the conclusion of the stay period.

14 b.) The dispositive motion deadline has passed and is not impacted by the within  
15 stipulation. The hearing date on McKesson's Motion for Summary Adjudication  
16 filed against the Berg parties on August 3, 2007, which is currently set for August  
17 27, 2007, shall be continued to October 15, 2007 and the hearing date on Angeles'  
18 Motion for Summary Adjudication filed against McKesson on August 6, 2007,  
19 which is currently set for September 17, 2007, shall be continued to November 5,  
20 2007. The hearing dates for the five Motions to Review currently set for hearing on  
21 August 27, 2007 shall be continued to October 15, 2007. The deadline for filing  
22 any Motion to Review remains unchanged; however, any Motion for Review filed  
23 on or after the date of this stipulation shall be set for hearing on October 29, 2007.  
24 The continuances of the above referenced hearing dates are to reduce the costs  
25 incurred in briefing associated with the subject motions during the forty-five (45)  
26 day litigation stay. The litigation stay shall also stay the filing of any other motions  
27 with the Court for pre-trial purposes inclusive of motions in limine. However, this  
28 agreement is without prejudice to the parties' right to seek further relief on these  
matters or others by ex parte motion or otherwise after the termination of this

1 agreement. In addition, during the stay period, the parties may file joint requests  
2 for decisions on pending motion as required by Local Rule 83-9.2, and joint  
3 requests for intended decisions dates on pending motions as required by Local Rule  
4 83-9.4.

5 c.) In the event that Magistrate Judge Eick grants, in whole or in part, Plaintiffs'  
6 Motion to Compel further responses to Angeles' Requests for the Production of  
7 Documents, Set No. 8, set for hearing on August 17, 2007, the parties agree to  
8 stipulate to jointly seeking a stay of that Order from Magistrate Judge Eick and/or  
9 Judge Hatter for the stay period to reduce litigation costs and allow the parties to  
10 focus their efforts on settlement negotiations.

11 d.) In order to facilitate negotiations, the parties shall exchange all of their FRCP  
12 Rule 26 expert reports on August 15, 2007 as documents exchanged for settlement  
13 purposes only. In the absence of a court order or validly issued subpoena, the  
14 reports disclosed on August 15, 2007 shall not otherwise be disclosed to any third-  
15 parties, with the exception that the reports may be disclosed to clients, counsel,  
16 consultants and experts. In the event that the parties cannot reach a settlement  
17 during the forty-five (45) day stay, the reports disclosed on August 15, 2007 shall  
18 remain the parties' FRCP Rule 26 expert reports, transmitted for purposes of trial  
19 on September 21, 2007 and expert discovery can commence beginning September  
20 21, 2007.

21 e.) The June 11, 2007 discovery cut off, and the August 6, 2007 discovery motion  
22 and dispositive motion cut offs will remain unchanged.

23  
24 f.) All pre-trial dates beginning with the expert discovery cut off and all pre-trial  
25 dates subsequent thereto in the current case management order shall be continued  
26 for forty-five (45) days.

1 The Court having read and considered the underlying facts and case law finds  
2 that good cause exists for the stipulations set forth above.

3  
4 It is so Ordered.

5  
6 August 7, 2007

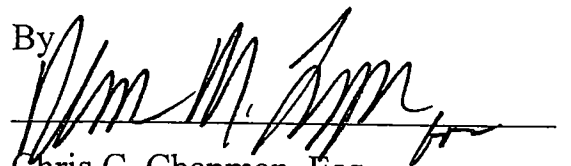
7 \_\_\_\_\_  
8 Hon. Judge Terrence Hatter Jr.

9 So Stipulated:

10 DATED: August 7, 2007

11 THE LAW OFFICES OF TIMOTHY  
12 C. CRONIN, ESQ.

13 By

14   
15 Chris C. Chapman, Esq.

16 Attorneys Counter-Defendants,  
17 Counter-Claimants, and Cross-  
18 Complainants Robert Berg, Donna  
19 Berg, Pearl Rosenthal, and the Estate  
20 of Arnold Rosenthal

21 DATED: August 7, 2007

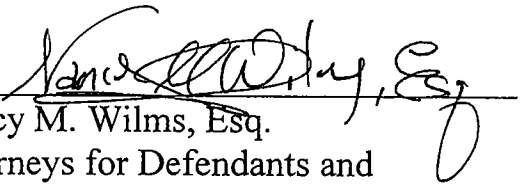
22 CAUFIELD & JAMES LLP

23 By

24 \_\_\_\_\_  
25 Jeffery L. Caufield, Esq.  
26 Attorneys for Plaintiff, Counter-  
27 Defendants, Cross-Defendants  
28 Angeles Chemical Company, Inc.,  
John Locke and Greve Financial  
Services, Inc.

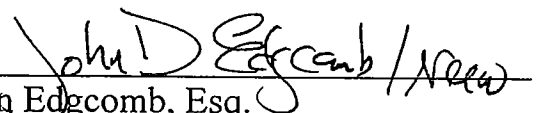
1 Dated: August 7, 2007

Bingham & McCutchen

2  
3 By  Esq.  
4 Nancy M. Wilms, Esq.  
5 Attorneys for Defendants and  
6 Counter-Claimants McKesson  
7 Corporation, Harvey Sorkin, Seymour  
8 Moslin and the Estate of Paul Maslin

9 Dated: August 7, 2007

The Law Offices Of John Edgcomb

10  
11 By  / New  
12 John Edgcomb, Esq.  
13 Attorneys for Defendants and Counter-  
14 Claimants McKesson Corporation,  
15 Harvey Sorkin, Seymour Moslin and  
16 the Estate of Paul Maslin  
17  
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28

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2 that good cause exists for the stipulations set forth above.

3  
4 It is so Ordered.

5  
6 August 7, 2007

TERRY J. HATTER, JR.

Hon. Judge Terry ~~Vance~~ Hatter Jr.

7  
8  
9 So Stipulated:

10 DATED: August 7, 2007

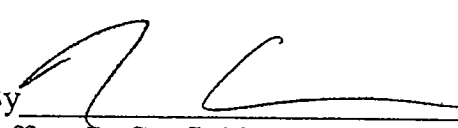
THE LAW OFFICES OF TIMOTHY  
C. CRONIN, ESQ.

11  
12 By

13  
14  
15 Chris C. Chapman, Esq.  
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18 Complainants Robert Berg, Donna  
19 Berg, Pearl Rosenthal, and the Estate  
of Arnold Rosenthal

20 DATED: August 7, 2007

CAUFIELD & JAMES LLP

21  
22 By   
23 Jeffery L. Caufield, Esq.  
24 Attorneys for Plaintiff, Counter-  
25 Defendants, Cross-Defendants  
26 Angeles Chemical Company, Inc.,  
27 John Locke and Greve Financial  
28 Services, Inc.